that the Government, who were only the trustees of the Devaswoms which were under their management at present, should hand them over to the descendants of such of their original donors as were fit to take charge of them. He also said that the people of Travancore were extremely poor and that it was erroneous to think that they could stand any additional taxation. The Member concluded by praying that the revenues of the State might be devoted in an economic and equitable manner to the welfare of the people, that burdensome taxes be not imposed on them and that the poverty of the country be removed by the development of industries and other measures.

Dewan's reply.—I must deprecate the action of the members who seek to criticise Government in regard to matters which are under correspondence and which have not been finally disposed of. I appreciate all sound, *bona fide* criticism. Except in regard to confidential matters, Government will ever be ready to give information on any matter to any member who applies for it. What I would request the members of this Assembly is that they should acquaint themselves with facts before they offer their criticism on specific matters. I do not propose to say anything more in reply to the Member's speech.

6. Undesirability of increasing Taxation.

Mr. K. Velayudhan Pillai (Member, Municipal Council, Haripad) stated that enhancement of revenue should be effected without needlessly burdening the people and that the abnormal increase in the receipts of the State at present as compared with those realised a few decades ago showed that there was enough money for Government to meet all legitimate expenditure, if only they set about to economise in the right spirit. He also observed, quoting figures, that all the principal heads of revenue exhibited marked advancement, which was brought about without due regard for the people's welfare. It was an oft-repeated argument that important measures of reform could not be carried out for want of funds. During every administration, departments were reorganised and the pay of several officers, already high-paid, was increased without revising the pay of the lower ranks of the public service which really stood in need of improvement. The expenditure on education had increased out of all proportion to the real requirements of the Department and the additional allotments for the purpose sanctioned in recent years had been already devoted to the improvement of the pay of the staff of English schools and inspecting officers. The number of inspecting officers was far too large and could be reduced with advantage. The burden on the student population was already unbearable and Government were not justified in increasing the school fees. The P. W. D. was over-staffed and the work turned out by that Department was quite disproportionate to the salaries paid. During the last one and a half years taxes had been increased in several directions, *e. g.*, the value of copying paper and process fees, *tharavila* and *thadivila* for *puduval* lands, Anchal rates, and fees on markets and evening bazaars. The Member endeavoured to prove that none of these imposts were justifiable. He next represented that the tariff rates of timber had been increased which made it difficult for the people to get good timber for house-construction. In spite of this increase the administration of the Forest Department did not yield much surplus, chiefly on account of the heavy expenditure incurred on the staff and it was necessary to effect retrenchments in the Department. The action of Government in calling upon the Municipal Councils to levy fresh taxes and increase the existing fees was objectionable. Government were not justified in asking the Municipal Councils of smaller towns to levy house tax at 3 per cent. on the annual value, while in bigger towns the rate was only 2½ per cent. He pointed out that the license fees now realised from boats under the Public Canals and Public Ferries Regulation might be done away with, as such fees would not bring in much income, owing to the fact that boat-owners got their boats registered in Cochin where the fees were lower. He emphasised that British India should not be taken as the model for the levy of taxes in Travancore, as the earning capacity of the people here was lower—a fact that could be elucidated by an enquiry into the economic condition of the people. He urged that high officers in Travancore received a remuneration out of all proportion to the requirements of the

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posts filled by them and suggested that the retrenchments recommended by the Salaries Committee in respect of them should be brought into immediate effect. The allotment for the Department of Agriculture, which should be specially encouraged by Government, was insufficient, and with a view to increase the production of paddy in the State, Government should themselves undertake the cultivation of waste lands including such areas as could be thrown open from reserved forests. In conclusion, the Member stated that the funds for meeting the increased expenses of the Government could be found by (1) a reduction in the number and pay of the higher officers, (2) the conservation of forests and the increase of yield from them, (3) the development of agriculture, (4) the encouragement of industries, (5) the levy of export duty on the products of the State, (6) refusal to participate in the Cochin Harbour scheme and similar projects not directly advantageous to the State, (7) giving contracts for P. W. D. works to local bodies in preference to foreign contractors and (8) the abolition of unnecessary appointments in the P. W. D.

Dewan's reply.—The Member's general observations have already been anticipated by the previous speakers and nothing need be said in reply to them. In regard to the particular matters which the Member has mentioned, if the Member had sent in a detailed memorandum in time, a reply could have been prepared. I may, in this connection, state that the Member is wrong in saying that, in regard to the house tax to be imposed in Municipalities, Government passed an order enabling major Municipalities to levy that tax only at 2½ per cent, while compelling the minor Municipalities to levy it at 3 per cent. No such order has been passed. In the matter of Municipal taxation, Municipal Councils have been given a free hand in regard to fixing the rates. A Conference of the Presidents of Municipalities was held, and certain decisions were arrived at. These decisions were forwarded to all the Municipal Councils for observance. The Councils were told that Government would be glad if they could conform to the rates proposed by the Conference. In the case of individual Councils which did not wish to conform to the proposals of the Conference, their recommendations have been sanctioned.

7. Some suggestions for the improvement and conservation of the finances of the State and on the adoption of measures for controlling expenditure.

Mr. P. Jacob Kurien (Member, Nominated) prefaced his remarks by stating that the European war had greatly affected the financial position of all countries and peoples and that all Governments were seriously engaged in finding out the most effective means of consolidating and increasing their resources. It was, therefore, nothing strange that Travancore should emulate other countries in this matter and adopt all measures calculated to accelerate the progress of the State. The line of policy proposed to be pursued by Government was indicated in the Dewan's opening address to the Assembly and he heartily endorsed every word of it as, in his opinion, it was a thing that all responsible citizens were bound to do. But the successful carrying out of that policy required money and it would be difficult to find the necessary funds unless the people heartily co-operated with the Government. It was meaningless to insist on reforms without being ready to shoulder the financial burden which those reforms entailed. The increase of taxes in the State was adversely criticised by some people mainly because they were not satisfied with the sources tapped by Government for finding additional funds. The cry itself was not justifiable in the face of the fact that most of the representations made to Government advocated lengthy programmes of administrative reform which required a very large expenditure of money; but he would suggest to the Government the desirability of leaving aside petty and negligible sources of income and the need for concentrating their energy on the exploitation of prominent and substantial ones. He earnestly hoped that this aspect of the matter would not escape the attention of Government. He then suggested that, in order to improve the economic condition of the people, the forest and mineral resources of the State should be exploited more profitably, that agriculture should be developed, that more lands, especially out of reserved forests, should be thrown open for cultivation, that a portion of such lands should be cultivated by Government agency through the Agricultural Department, and that cocoanut trees, etc., should be

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